

# Deep East Texas Council of Governments and Economic Development District



## Comprehensive Economic Development Strategy 2020-2025

Board Approved April 27, 2023

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# Summary Background

## Geography

The Deep East Texas Council of Governments and Economic Development District (DETCOG&EDD) encompasses the State of Texas' State Planning Region 14. The region is comprised of Angelina, Houston, Nacogdoches, Newton, Polk, Sabine, San Augustine, San Jacinto, Shelby, Trinity and Tyler Counties as well as the Alabama-Coushatta Tribe of Texas Reservation. It covers over 9,410 square miles with a topography commonly described as varying from "irregular plains" to "plains with hills". The area is heavily forested with mostly pine trees and is part of the larger Pineywoods area of East Texas, West Louisiana, and South Arkansas. The National Climate Data Center describes the region's climate as Sub-Tropical Humid. The region has an abundance of fresh water, clean air and relatively inexpensive land.

## Natural Resources

Deep East Texas is home to Texas' four national forests, two state forests, and a number of lakes and reservoirs including the three largest reservoirs in Texas: Toledo Bend Reservoir, Sam Rayburn Reservoir, and Lake Livingston. Outdoor recreation, eco-tourism, hunting and fishing all are significant contributors to the regional economy. The Forest Products industry still plays a large role in the regional economy. Technological advances like Oriented Strand Board and Cross-Laminated Timbers are leading to new uses for the region's timber. The development of "Fracking" has caused the recovery of marketable Natural Gas from the Haynesville Shale formation under Nacogdoches, Sabine, San Augustine and Shelby counties.

## History

Deep East Texas is steeped in history. In fact, the name Texas originated here, based on the Caddo and Hasinai Native American word *táysha'*, meaning friend or ally, and translated into *Tejas* or *Texas*\*. The Mission San Francisco de los Tejas was completed near the Hasinai village of Nabadaches in May 1690, in what is now Houston County. It was located along the El Camino Real de los Tejas, also known as the King's Highway or Old San Antonio Road. Now a National Historic Trail, this is one of the oldest and most significant routes traversing Texas, and is the most famous of the state's early historic trails. It brought early settlers to the historic cities of Nacogdoches and San Augustine. The City of Nacogdoches, the oldest town in Texas, was settled by the Spanish in the 18th century. The City of San Augustine, the oldest Anglo settlement in Texas, dates from the 1820s although the Spanish originally established Mission Dolores there in 1717.

\*Phillip L. Fry, "Texas, Origin of Name," *Handbook of Texas Online*, accessed November 30, 2022, <https://www.tshaonline.org/handbook/entries/texas-origin-of-name>.

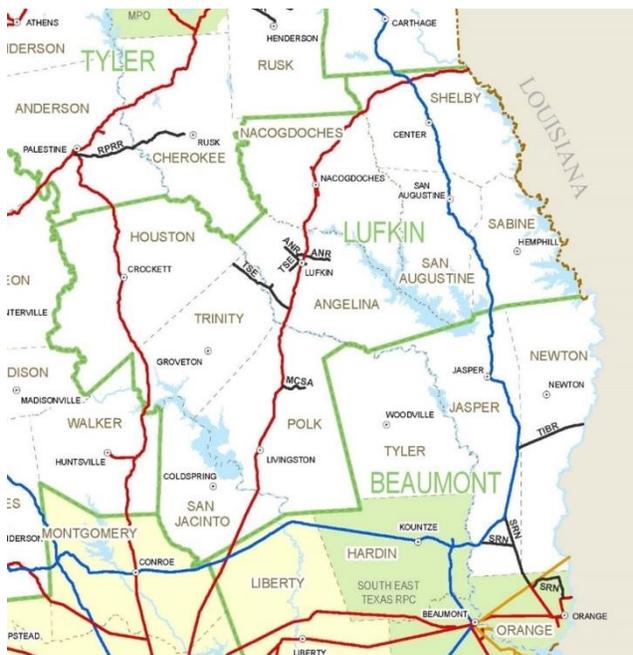
## Transportation

Deep East Texas' major north-south thoroughfare is U.S. Highway 59 which is being developed into Interstate 69, connecting Laredo, Pharr and Brownsville, Texas to Port Huron, Michigan. Our major east-west artery is U.S. Highway 190 which is being developed into Interstate 14, connecting Ft. Stockton, Texas to North Augusta, South Carolina. Other major U.S. highways serving our region include U.S. Highway 69 and U.S. Highway 287 which connect the Beaumont Area to the Dallas/Ft. Worth area, and U.S. Highway 96 which connects the Beaumont area to Texarkana.

**Right:** U.S. Highways serving Deep East Texas. US 59 is the future I-69 corridor. US 190 is the future I-14 corridor. US 96 and US 287 are other major thoroughfares.



Rail access is generally good throughout the area with Union Pacific running two lines out of Houston; one north through Trinity and Houston Counties to Palestine and a second through San Jacinto, Polk, Angelina, Nacogdoches and Shelby Counties that goes to Shreveport. Burlington Northern Santa Fe has a line that runs from the Beaumont/Orange area up through Jasper, Sabine, San Augustine and Shelby Counties into Longview. The Angelina & Neches River Railroad (A&NR) is a short line railroad serving Lufkin, operating 28 miles of owned trackage and an additional 3.5 miles of joint trackage via Union Pacific's mainline. It offers Car Storage with capacity of over 1000 cars available, Car Repair services on-site, and Transload facilities with loading and unloading services. A&NR interchanges with Union Pacific Railroad at Lufkin.



**Above:** Rail Routes in Deep East Texas. Union Pacific lines are shown in red. Burlington Northern Santa Fe lines are shown in blue.

**Right:** Angelina & Neches River Railroad locomotive and freight cars.



There are five General Aviation Airports in the DETCOG Region that were included in the Federal Aviation Administration’s National Assets Study (2012) that are eligible for Federal Aviation Grants. The airports in Center, Crockett, Livingston and Nacogdoches are classified as “Local” whereas the Angelina County Airport in Lufkin is classified as “Regional”.

<b>DETCOG Region Airports in 2012 Federal Aviation Administration National Assets Study</b>					
<b>City</b>	<b>Airport</b>	<b>Location ID</b>	<b>Public/Private</b>	<b>Service Level</b>	<b>Category</b>
<b>Center</b>	<b>Center Municipal</b>	<b>F17</b>	<b>PU</b>	<b>Gen Aviation</b>	<b>Local</b>
<b>Crockett</b>	<b>Houston County</b>	<b>DKR</b>	<b>PU</b>	<b>Gen Aviation</b>	<b>Local</b>
<b>Livingston</b>	<b>Livingston Municipal</b>	<b>00R</b>	<b>PU</b>	<b>Gen Aviation</b>	<b>Local</b>
<b>Lufkin</b>	<b>Angelina County</b>	<b>LFK</b>	<b>PU</b>	<b>Gen Aviation</b>	<b>Regional</b>
<b>Nacogdoches</b>	<b>A L Mangham Jr. Regional</b>	<b>OCH</b>	<b>PU</b>	<b>Gen Aviation</b>	<b>Local</b>

In 2018 the Texas Transportation Institute conducted a “Texas Aviation Economic Impact Study” which included these 5 airports.

<b>Texas Transportation Institute - Texas Aviation Economic Impact Study</b>							
<b>City</b>	<b>Airport</b>	<b>Location ID</b>	<b>Runway Length(s)</b>	<b>Runway Designation</b>	<b>Total Impacts</b>		
					<b>Jobs</b>	<b>Payroll</b>	<b>Output</b>
<b>Center</b>	<b>Center Municipal</b>	<b>F17</b>	<b>5,501</b>	<b>17/37</b>	<b>6</b>	<b>\$ 207,000</b>	<b>\$ 680,000</b>
<b>Crockett</b>	<b>Houston County</b>	<b>DKR</b>	<b>4,000</b>	<b>2/20</b>	<b>4</b>	<b>\$ 126,000</b>	<b>\$ 397,000</b>
<b>Livingston</b>	<b>Livingston Municipal</b>	<b>00R</b>	<b>3,704</b>	<b>12/30</b>	<b>8</b>	<b>\$ 217,000</b>	<b>\$ 793,000</b>
<b>Lufkin</b>	<b>Angelina County</b>	<b>LFK</b>	<b>5,400</b> <b>4,311</b>	<b>7/25</b> <b>16/34</b>	<b>153</b>	<b>\$ 7,600,000</b>	<b>\$ 26,000,000</b>
<b>Nacogdoches</b>	<b>A L Mangham Jr. Regional</b>	<b>OCH</b>	<b>5,000</b>	<b>18/36</b>	<b>18</b>	<b>\$ 488,000</b>	<b>\$ 1,400,000</b>

Stephen F. Austin State University is now offering a Bachelor of Science degree in aviation sciences with its Pilot Training Flight School located at A.L. Mangham Jr. Regional Airport in Nacogdoches.

Beyond the local Economic Impact these facilities play an important role in the development of the Deep East Texas Economy because of their use by site selection consultants and corporate officers to access their industrial plants and stores or study potential sites for them.

The closest airports with full commercial service are Bush Intercontinental (105 miles from Lufkin) and William P. Hobby Airport (128 miles from Lufkin) in Houston.

## *Population and Social Characteristics*

The 2020 Census listed the region’s population at 338,090. Angelina County is the most populous county in the region with a 2020 population of 86,0395. It’s county seat, Lufkin, is the largest city in the region with a population of 34,143. The smallest county in terms of population is San Augustine County with a 2020 Census population of 7,918.

Since the 2010 Census, the region has experienced a net decrease in its overall population by 4,677 persons, declining from 342,767 to 338,090. However, those numbers are not reflected by the American Communities Survey (ACS) which shows a 1,700 decline in population in 2012 followed by a steady increase every year leading up to a total 6,919 increase between its 2010 and 2020 Regional figures.

The most significant population gains occurred in Polk and San Jacinto, which are the two southernmost DETCOG Region counties and are along U.S. Highway 59 (Future I-69 corridor). They are becoming “Bedroom Communities” for the Greater Houston Metropolitan Area. The ACS shows Polk County growing by 14 percent or 7,551 residents. San Jacinto County according to ACS, grew by 10 percent or 2,821 residents. These gains, along with modest gains in Nacogdoches, and Trinity counties offset the losses in the remaining seven counties. The region’s smallest county, San Augustine, experienced a loss of 608 residents or 7 percent of its population. Newton County experienced a decrease of 1,033 residents (7 percent) while Houston County lost 848 residents (4 percent).

### ***INCREASING COUNTY POPULATIONS SINCE 2010***

- *POLK COUNTY* + 7,551
- *SAN JACINTO COUNTY* + 2,821
- *TRINITY COUNTY* + 155
- *NACOGDOCHES COUNTY* + 69

### ***DECREASING COUNTY POPULATIONS SINCE 2010***

- *NEWTON COUNTY* - 1,033
- *SAN AUGUSTINE COUNTY* - 607
- *HOUSTON COUNTY* - 848
- *SHELBY COUNTY* - 545
- *SABINE COUNTY* - 363
- *TYLER COUNTY* - 172
- *ANGELINA COUNTY* - 109

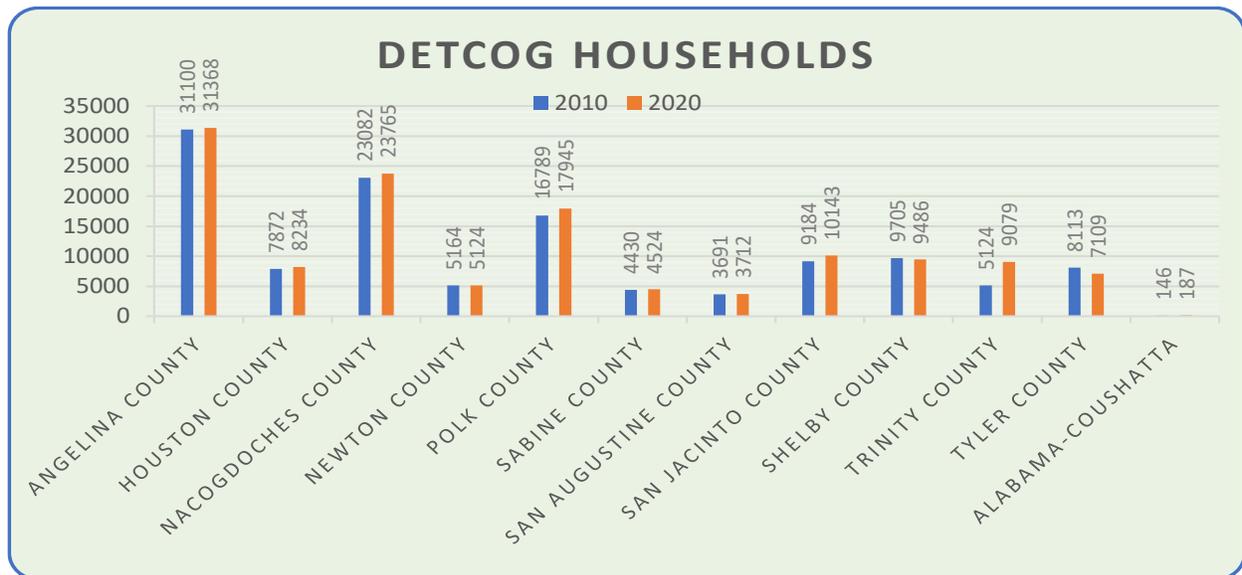
Source: US Census Bureau, American Community Survey, 2010 and 2020

The region’s groups of “Population by Age” follow national averages in the Preschool, School Age, College Age and Adult groups. However, the Young Adult group is 3.8 percent below the national average and the Older Adult is 2.9 percent above the national average.

Population by Age - 2020	Preschool (0 to 4)	School Age (5 to 17)	College Age (18 to 24)	Young Adult (25 to 44)	Adult (45 to 64)	Older Adult (65 plus)
Angelina	6.7%	18.8%	8.7%	24.9%	24.7%	16.2%
Houston	5.3%	14.2%	7.1%	24.4%	27.0%	22.0%
Nacogdoches	6.3%	16.8%	19.0%	21.8%	21.4%	14.7%
Newton	4.4%	15.5%	8.8%	22.5%	28.1%	20.8%
Polk	5.3%	14.9%	7.5%	23.6%	30.0%	18.7%
Sabine	4.6%	13.8%	5.6%	17.9%	27.4%	30.6%
San Augustine	4.7%	15.0%	5.8%	19.5%	28.3%	26.8%
San Jacinto	5.5%	16.2%	6.2%	22.0%	28.4%	21.8%
Shelby	7.2%	19.0%	8.7%	22.6%	24.9%	17.6%
Trinity	4.7%	15.4%	6.8%	17.4%	29.0%	26.7%
Tyler	4.3%	14.9%	9.8%	23.5%	25.5%	22.0%
Alabama-Coushatta	13.7%	28.6%	16.2%	18.5%	18.5%	4.5%
<b>DETCOG Region</b>	<b>5.8%</b>	<b>16.6%</b>	<b>10.0%</b>	<b>22.8%</b>	<b>25.8%</b>	<b>18.9%</b>
Texas	7.0%	18.8%	9.8%	28.3%	23.6%	12.5%
<b>U.S.</b>	<b>6.0%</b>	<b>16.4%</b>	<b>9.3%</b>	<b>26.6%</b>	<b>25.6%</b>	<b>16.0%</b>

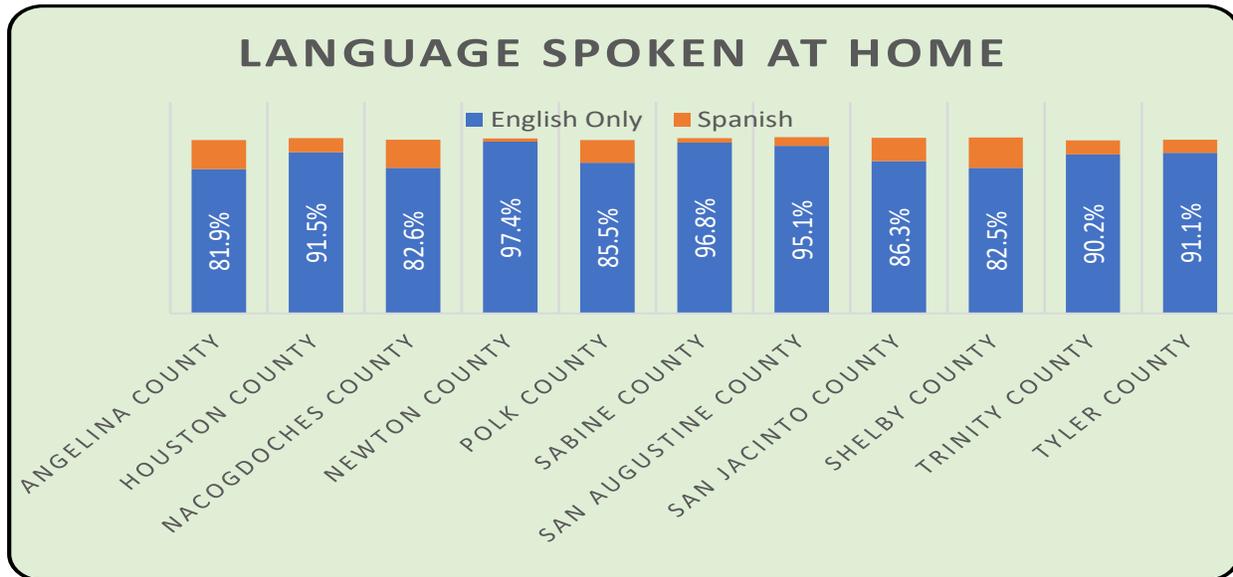
Source: U.S. Census Bureau, American Community Survey, latest 5-Year Estimates

Households are defined by the Census Bureau as all those people that live in a housing unit. Households include families but do not include group quarters. A person living alone is considered a household as is a group of people living together as roommates. Like the region’s population, the total number of households experienced an overall increase between 2010-2020. The region gained an estimated total of 3,302 households between the two survey periods. Polk County, like its gains in overall population, also experienced the largest growth in number of households. Tyler County saw the largest decline.



Source: US Census Bureau, American Community Survey, 2010 and 2020

English is the predominant language spoken at home in the DETCOG region. In all cases, at least 82 percent of homes spoke English as their primary language. The only other language spoken at home in any noticeable percentage is Spanish. At least 70 percent of the remaining homes that did not speak English as their primary language instead spoke Spanish.



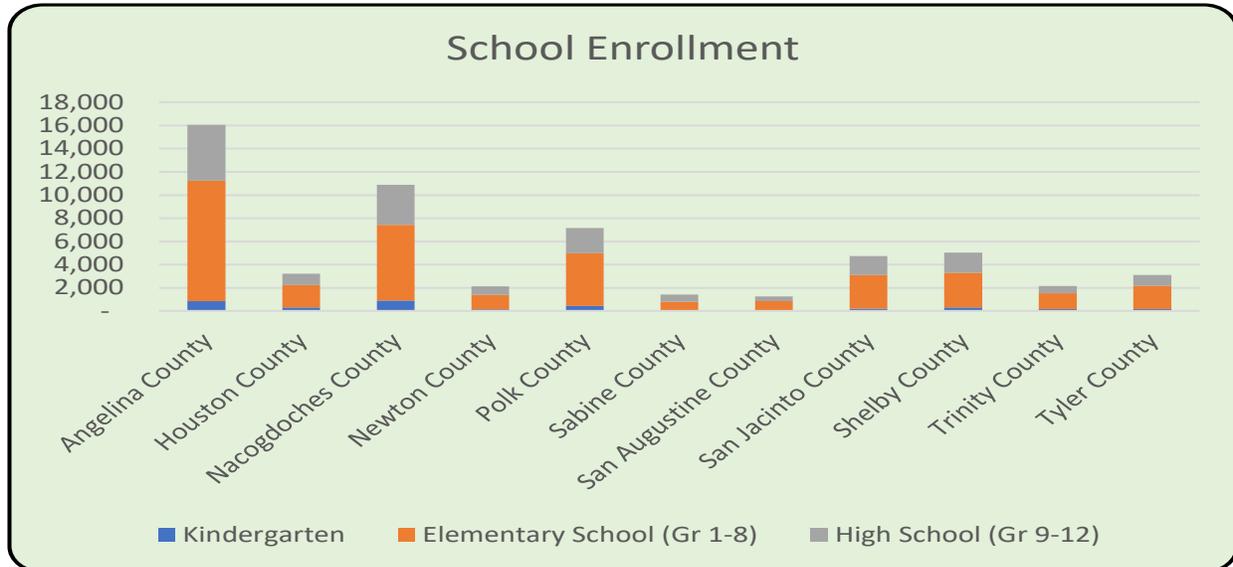
Source: US Census Bureau, American Community Survey 2020

### *Educational Facilities*

Deep East Texas is home to 49 Independent School Districts plus numerous Private, Faith Based and Charter Schools. Higher education includes Stephen F. Austin State University in Nacogdoches and Angelina College, a public community college with its main campus in Lufkin. Both institutions partner with satellite education centers in several other communities. Angelina College also houses a Small Business Development Center (SBDC) which helps entrepreneurs turn their ideas into businesses. Panola College, which is based outside our region, provides classes in Shelby County.

More than 65,000 students are enrolled in school in the region, between kindergarten and 12th grade. Because of the number of grades that make up elementary school, that group accounts for the largest student cohort. The total school enrollment by county generally follows a similar pattern as total population with some slight variation. For example, San Jacinto County has a larger overall population than Shelby County, but Shelby County has more students enrolled in school than San Jacinto County.

More than 28% of the region’s K-12 students are in Angelina County, followed by more than 19% in Nacogdoches County and more than 12% in Polk County. San Augustine County accounts for only 2.2% of the K-12 student population. Interestingly, Sabine County sees an almost even split of students in grades 1-8 as it sees in grades 9-12.



Source: US Census Bureau, American Community Survey 2020

Educational Attainment is below average, as illustrated by the table below. A high school diploma or equivalent is the highest level of education for 36.9 percent of residents, compared to a national statistic of 27.1 percent. Only 15.4 percent of Deep East Texans have a four-year college degree or advanced degree, compared to 31.5 percent nationally.

<b>Educational Attainment, 2020</b>	<b>Less Than 9th Grade</b>	<b>9th to 12th, No Diploma</b>	<b>High School Graduate or GED</b>	<b>Some College, No Degree</b>	<b>Associate Degree</b>	<b>Bachelor's Degree</b>	<b>Graduate or Professional Degree</b>
Angelina County	7.5%	9.5%	30.8%	25.9%	8.2%	12.5%	5.7%
Houston County	6.1%	12.7%	36.4%	21.9%	7.3%	11.0%	4.6%
Nacogdoches County	8.0%	8.3%	28.8%	24.6%	5.8%	15.2%	9.2%
Newton County	5.8%	12.9%	43.0%	22.3%	7.2%	7.1%	1.7%
Polk County	6.9%	11.2%	37.4%	23.4%	6.7%	10.5%	3.9%
Sabine County	2.7%	11.6%	35.2%	25.1%	8.1%	10.3%	7.1%
San Augustine County	5.3%	12.7%	41.8%	22.1%	4.2%	9.1%	4.9%
San Jacinto County	4.9%	9.6%	42.5%	22.6%	5.2%	10.0%	5.2%
Shelby County	9.1%	12.9%	34.5%	23.8%	5.6%	10.3%	3.7%
Trinity County	6.4%	11.0%	35.7%	26.6%	6.5%	9.7%	3.9%
Tyler County	5.7%	12.9%	41.7%	21.4%	4.0%	10.5%	3.7%
Alabama-Coushatta	0.9%	10.8%	36.5%	34.4%	6.0%	6.9%	4.5%
<b>DETCOG Region</b>	<b>6.8%</b>	<b>10.6%</b>	<b>35.1%</b>	<b>24.1%</b>	<b>6.6%</b>	<b>11.5%</b>	<b>5.4%</b>
Texas	7.8%	7.8%	24.7%	21.5%	7.4%	19.9%	10.8%
<b>U.S.</b>	<b>4.9%</b>	<b>6.6%</b>	<b>26.7%</b>	<b>20.3%</b>	<b>8.6%</b>	<b>20.2%</b>	<b>12.7%</b>

Source: US Census Bureau, American Community Survey 2020

Historically, Deep East Texas has been economically distressed with high rates of unemployment and poverty. The per capita income and median household income in all our counties are well below state and national averages.

- The Individual Poverty Rate in Deep East Texas is 19.6%, compared to the U.S. average of 12.8%.
- Per capita income in the region is \$23,778 which is 33% lower than the national average of \$35,384.

<b>Economic &amp; Social Distress</b>	<b>Per Capita Money Income (5-Year ACS)</b>	<b>Individual Poverty</b>
Angelina County	\$23,878.00	17.4%
Houston County	\$21,669.00	19.0%
Nacogdoches County	\$24,031.00	24.9%
Newton County	\$21,836.00	25.8%
Polk County	\$24,479.00	16.8%
Sabine County	\$27,345.00	18.8%
San Augustine County	\$23,385.00	26.4%
San Jacinto County	\$24,618.00	13.6%
Shelby County	\$22,404.00	23.3%
Trinity County	\$26,347.00	17.8%
Tyler County	\$21,632.00	18.5%
Alabama-Coushatta	\$18,286.00	17.5%
<b>DETCOG Region</b>	<b>\$23,778.00</b>	<b>19.6%</b>
Texas	\$32,177.00	14.2%
<b>U.S.</b>	<b>\$35,384.00</b>	<b>12.8%</b>
Source: US Census Bureau, American Community Survey 2020		

These economic factors, plus the rural nature of our region, provide us with unique challenges but also underscore the importance of DETCOG&EDD’s mission.

### *Economic Factors*

The economy of Deep East Texas has suffered from natural disasters including hurricanes and floods, the loss of manufacturing jobs due to corporate mergers, and reduced timber harvesting in our national forests. Despite these factors, retail sales in Deep East Texas have increased slightly each year since 2010.

The most recent hurricane to impact our region was Hurricane Laura in 2020. All 11 counties of Deep East Texas Council of Governments are included in Federal Disaster Declaration EM-3540-TX for Laura.

In August 2017, our region was heavily impacted by Hurricane Harvey. Six of the 11 counties were included in Federal Disaster Declaration DR-4332. The included counties are:

- |        |               |             |
|--------|---------------|-------------|
| Polk   | San Augustine | Tyler       |
| Newton | Sabine        | San Jacinto |

Harvey is tied with Hurricane Katrina (August 2005) as the costliest tropical cyclone on record with damages measured at \$125 billion. Including Hurricane Harvey, the Deep East Texas region has been the subject of three disaster declarations from ten of the costliest hurricanes on record in the span of just 12 years.

In 2020 the COVID-19 Pandemic has greatly impacted the region. Our region has suffered more than most because of the lack of broadband services. Like other regions, we have experienced a significant number of business closings and employee furloughs or layoffs. Many employees are not able to work remotely due to lack of broadband. Our public schools are unable to conduct online classes -- while the school campuses generally have good connectivity, the majority of their students have no internet service or inadequate service at home. Healthcare suffers for the same reason. Effective telehealth services are impossible without good broadband service in the homes of patients. The long-term economic impact of the current COVID-19 Pandemic is impossible to predict, but there is no doubt it will increase the challenges we face.

### *Employment and Workforce*

It should be no surprise that the Education & Health Services industry is the largest employer in a rural region with 49 school districts. Trade, Transportation & Utilities is the second largest, meaning we harvest Timber which is turned into Forest Products and use Trucks to get them from the woods to the mills and then to market. Manufacturing employs the third highest percentage of workers with Leisure & Hospitality coming in fourth.

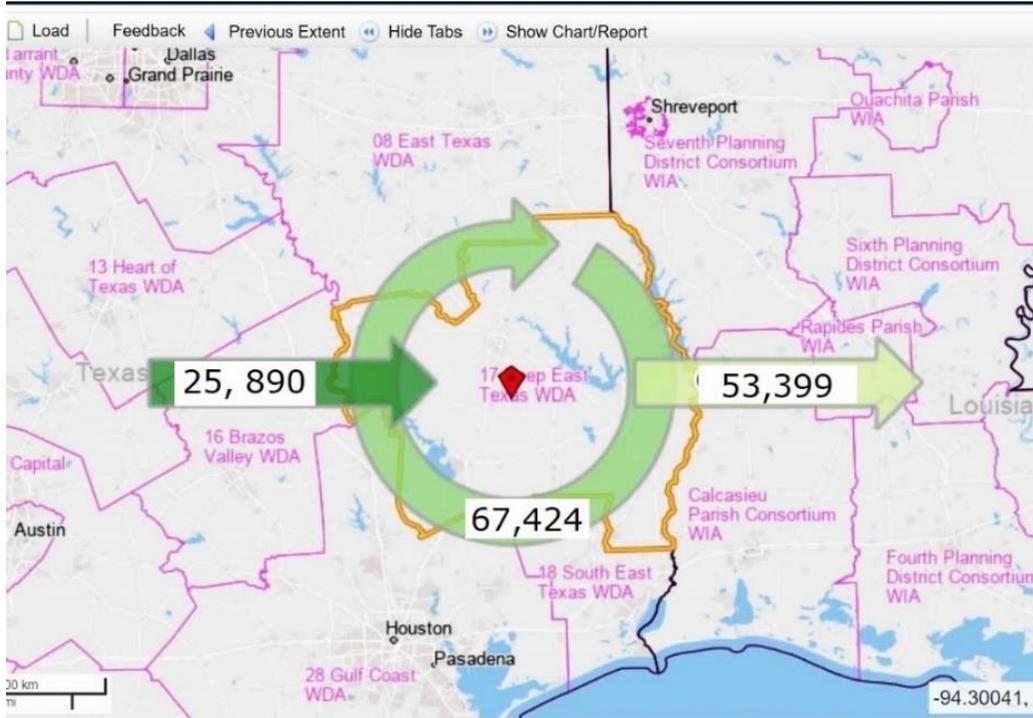
<b>DETCOG Top Employment by Industry 3Q - 2021</b>	
<b>Industry</b>	<b>% of Total</b>
<b>Education &amp; Health Services</b>	<b>30.2%</b>
<b>Trade, Transportation &amp; Utilities</b>	<b>20.1%</b>
<b>Manufacturing</b>	<b>11.6%</b>
<b>Leisure &amp; Hospitality</b>	<b>10.5%</b>
Source: Texas Workforce Commission 2021	

Unfortunately, of those occupations, only the number of transportation jobs in the region is projected by the Texas Workforce Commission to significantly increase in the next decade. Of the occupations projected to grow, only Secondary School Teachers, Computer Systems Analysts and Network and Computer Systems Administrators exceed the average U.S. Per Capita Income of \$35,384.00.

<b>DETCOG Top Growth Occupations 2018 - 2028</b>		
<b>Occupation</b>	<b>Education</b>	<b>Starting Wage</b>
1 Secondary School Teachers	Bachelor's Degree	\$42,670
2 Bookkeeping, Accounting, & Auditing Clerks	Some college, no degree	\$24,128
3 Computer Systems Analysts	Bachelor's Degree	\$49,836
4 Pharmacy Technicians	Associate's Degree	\$27,123
5 Automotive Service Technicians & Mechanics	Postsecondary Certificate	\$27,206
6 Network And Computer Systems Administrators	Bachelor's Degree	\$42,494
7 Bus & Truck Mechanics & Diesel Engine Specialists	Postsecondary Certificate	\$31,075
8 Machinists	Postsecondary Certificate	\$30,326
9 Surgical Technologists	Postsecondary Certificate	\$31,928
# Heavy & Tractor-Trailer Truck Drivers	Postsecondary Certificate	\$29,265

## Commuting

A significant number of Deep East Texans travel outside the region to work on a regular basis. Using the Census Bureau's *On The Map* application, we are able to understand commuting inflows and outflows for the region. While more than 53,399 of the region's residents commute out of the region. The region also sees nearly 25,890 people that live outside of the region commuting in to work. The result is a net outflow of more than 27,509 people. Out of the region's 11 counties, Angelina and Nacogdoches Counties experience the highest frequency of individuals that both live and work in the same county.



**Left:** Inflow/Outflow of Deep East Texas workers

U.S. Census "On the Map" 2019 Data

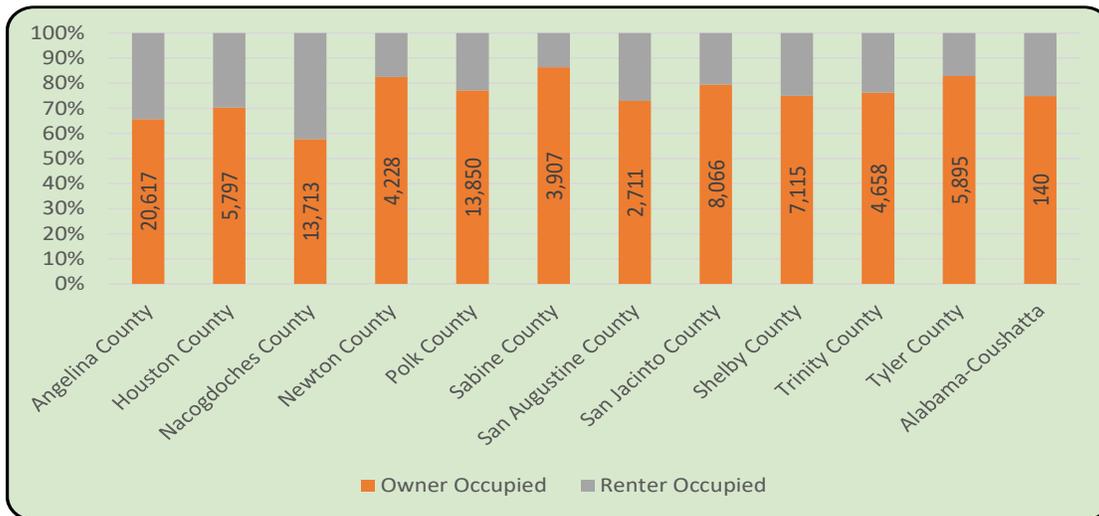
## Housing

The region has seen a loss of 1,287 in the total number of housing units between 2010-2020 which amounts to a 1.01% decrease. Three of the region’s eleven counties, along with the Alabama-Coushatta Reservation, experienced a loss of housing units: Houston County, Newton County, Sabine County, San Augustine County, Shelby County, Trinity County and Tyler County.



Single family housing (both attached and detached) represent the largest type of housing across the DETCOG region. Single-family housing accounts for more than two-thirds of the type of housing in the region. Mobile homes make up the second largest housing type in the region, just less than one-quarter.

The rate of owner-occupied versus renter-occupied housing units varies across the DETCOG region. Sabine County experiences the highest rate of owner-occupied housing units, and conversely the lowest rate of renter-occupied housing at 86.4% and 13.6% respectively. In contrast, Nacogdoches County experiences the lowest rate of owner-occupied housing units, and conversely the highest rate of renter-occupied housing at 57.7% and 42.3% respectively.

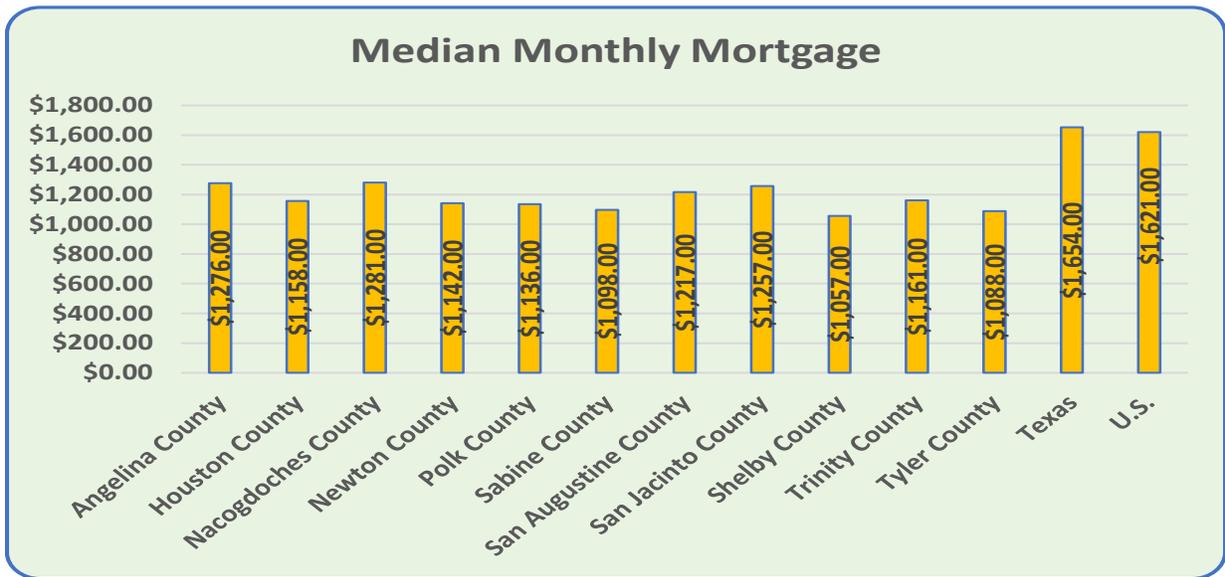


Median values for owner-occupied housing ranges from a low of \$80,700 in Newton County to a high of \$137,300 in Nacogdoches County. It’s likely that the mix of housing, such as the percentage of single- family homes versus mobile homes, has an influence on these median values. As an example, Nacogdoches County has the highest median owner-occupied value and the lowest rate of mobile homes.

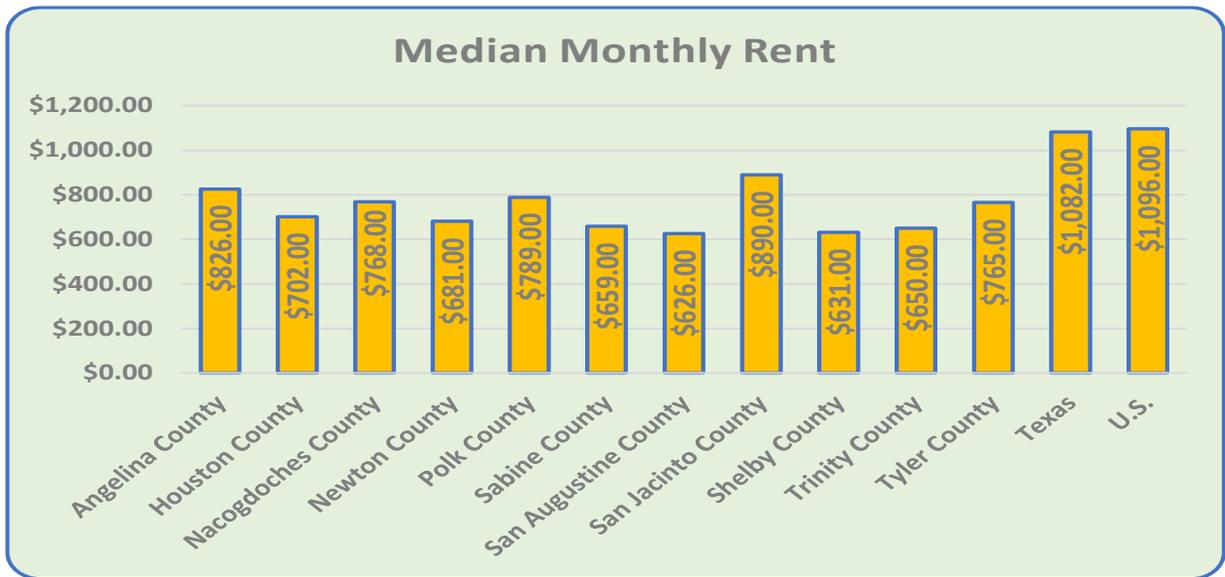


Region-wide, more than 9 out of 10 occupied housing units has access to a vehicle. San Augustine County has the lowest percentage of vehicle availability at 92.7%. San Jacinto County has the highest percentage of vehicle availability at 97.1%. Access to a vehicle is important in this region due to its large size and opportunities for employment.

The median mortgage payment does not directly coincide with the median owner-occupied values in the region. Instead, the lowest median mortgage paid is in Shelby County at \$1,057. The highest median mortgage paid can be found in Nacogdoches County at \$1,281.



In a similar comparison between median mortgage paid and median owner-occupied housing value, the median rent paid does not appear to directly relate to the median mortgage paid. The lowest median rent paid is experienced in San Augustine County at \$626. The highest median rent paid happens in San Jacinto County.



The historic economic conditions described in this analysis do not represent the future we desire for the Deep East Texas Region. It is through the partnerships and efforts described in this Comprehensive Economic Development Strategy that we plan to improve the futures of all citizens of Deep East Texas.

# *SWOT (Strengths, Weaknesses, Opportunities, Threats) Analysis*

## *Strengths:*

### **1. Natural Resources:**

- Central Location
  - Proximity to major metropolitan areas of Houston, Dallas/Ft. Worth, Beaumont/Port Arthur/Orange, and Shreveport
  - Proximity to ports of Houston, Galveston, Beaumont/Port Arthur/Orange
  - Particularly convenient access to Houston
- Outstanding Quality of Life, Social Capital
  - Friendly People, Sense of Community, Community Spirit
  - Historical and Cultural Resources Including El Camino Real
- Natural Beauty
- Relatively Inexpensive Land
- Abundant Clean Water (ground and surface) and Clean Air
- Outdoor Recreational Opportunities:
  - Four National Forests – Camping, Hiking, Hunting, Fishing
  - Sam Rayburn & Toledo Bend Reservoirs – Both “Top 10” Bass Fishing Lakes
  - Lake Livingston – Camping, Hiking, Fishing
  - Smaller Lakes (Dam B, Lake Nacogdoches, Houston County Lake)
  - State Parks and National Recreation Areas

### **2. Infrastructure:**

- Highways: U.S. 59 (I-69), U.S. 190 (I-14), U.S. 69, U.S. 96 & U.S. 287
- Railroads: 2 Union Pacific Lines & Burlington Northern Santa Fe
- Business Class General Aviation Airports: Center, Lufkin and Nacogdoches

### **3. Educational Resources:**

- Stephen F. Austin State University
- Angelina College
- Angelina College – Polk Commerce Center Campus
- Panola College – Satellite Campus in Center
- Curriculum for Technical Education (CTE) facilities in Public Schools like Nacogdoches Center for Workforce Development
- Lamar Institute of Technology-Satellite Campuses in Newton & Tyler Counties
- Local Public Schools
- Local Private and Charter Schools
- Tyler County Hospital – School of Nursing

## *Weaknesses:*

### **1. Infrastructure Issues:**

- Lack of Widespread Broadband Internet Availability and Affordability
- Very Limited Public Transit Resources
- Medical Services Availability and Affordability (4 of 11 Counties without Hospitals)
- Lack of Existing Interstate Highways -- Slow Development of I-69 & I-14
- Lack of Air Passenger Service – Closest passenger service is at Houston Bush Intercontinental
- Limited Rail Access in Some Counties and Communities
- Poor Cell Phone Service in Many Areas
- Lack of Interoperable Public Safety Radio Communications
- Deteriorating Downtown Districts in Some Cities

### **2. Human Issues:**

- Multi-Generational Poverty
- Overall Health Outcomes (counties in region are at bottom of statewide rankings)
- Lack of Affordable Housing
- Significantly lower percentage of population than either the U.S. or Texas with “Some College” or College Degrees
- Fiscal & Physical Access to Higher Education
- Illegal Drug Usage
- Fear of Change/New Ideas
- Flight of Young Adults from the Region

### **3. Regional Issues:**

- Lack of Political Capital in Rural Texas
- Need for More Coordinated Promotion of Region and Communities to Attract New Opportunities

## *Opportunities:*

- 1. Broadband Internet Network Development**
  - DETCOG Study Showed Broadband Could Add 10,300 New Jobs Over 10 Years
- 2. Capitalize on “Small Town” Quality of Life**
  - Encourage More Downtown Revitalizations
- 3. Recruit More Retail** – Currently Many Former Downtown Retail Buildings are Occupied by Offices
- 4. Improvements to Transportation Network**
  - Transit for Unserved Areas
  - Creation of Inland Port
  - Addition of Rail Spurs
  - Plan Now for Future Development Along Interstate Corridors
  - Improvements/Expansion of Existing County-Owned Airports
- 5. Economic Gardening (Helping Existing Businesses to Grow)**
- 6. Repurposing of Vacant Public & Private Correctional Facilities**
- 7. Target Manufacturers Who Depend on Availability of Surface and Groundwater**
- 8. Addition of Local Mill(s) to Add Value to Locally Harvested Timber Before It Leaves the Region**
- 9. “Green Energy”/” Sustainable Energy” generated by bio-fuels**
- 10. Attracting or Developing Entrepreneurs (They Prioritize Quality of Life)**
- 11. Tourism/Eco-Tourism/Outdoor Recreation**
- 12. Attracting Small Businesses Who Target Older Population**
- 13. Installation and Upkeep of Publicly Accessible Electric Vehicle Charging Stations**
- 14. A more strategically focused plan for workforce development and engaging industry in planning for skills training**

## *Threats:*

### **1. Natural Disasters:**

- Hurricanes
- Floods
- Tornadoes
- Wildfires
- Pandemics

### **2. Economic:**

- Recession
- Electric Grid Disruption
- Cybersecurity
- Lack of Capital Being Retained in Local Economy, Retail Leakage
- Limited investment in local infrastructure and economic development projects

### **3. Social:**

- Active Shooter
- Terrorism
- Lack of Funding for Public Safety Infrastructure
- Cost and Accessibility of Healthcare

### **4. Political:**

- Lack of Intermunicipal Cooperation in Some Counties
- Changes in Water Rights Laws
- Lack of Local Planning and Land Use Regulation

### **5. Infrastructure:**

- Rural Water and Sewer Systems Risk High Failure Rate

## *Vision:*

DETCOG believes regional cooperation can lead to stronger communities where all people have the necessary skills and opportunities to achieve their individual dreams. Those efforts can create a Deep East Texas where people enjoy good health, safety and security and a high standard of living.

## *Goals:*

### **1) Regional Broadband Service**

Broadband Specification Internet service (defined as a minimum of 25 Mbps Download, 3 Mbps Upload) is rare in the 11-county DETCOG&EDD Region. Broadband is a required service for modern industry, work from home, education, health care, personal communications and entertainment. Increasing the availability and quality of internet service in the region is essential. This was already recognized as a major need of our region, and DETCOG has been working to develop a plan to address it for more than two years. A regional feasibility study and market analysis commissioned by DETCOG found that with affordable broadband throughout the region, we can create 10,300 new jobs in Deep East Texas over a 10-year period. It also pointed out huge societal benefits in areas such as education and healthcare. The recent COVID-19 pandemic has increased awareness of the need and a sense of urgency for the solution. Public schools in Deep East Texas are not able to carry out remote classes because most students and many teachers lack broadband service at home. To ensure that everyone is served will require a regional solution.

- Pursue funding for phased construction of a regional Broadband Network.
- As funding becomes available – design inter-operating Broadband Networks that will utilize a mix of technologies to provide access to high-speed internet service to homes and businesses throughout Deep East Texas.

### **2) Regional Radio Infrastructure**

A combination of factors makes public safety radio communications difficult, and often impossible, for law enforcement and first responders in Deep East Texas. They face the challenge of serving a region that is broken up by four National Forest and some of the largest lakes in Texas. Distance combined with the geology of high iron content soil, combined with the topography of rolling hills covered with tall trees, impedes radio signals and makes communications difficult, and often impossible.

- Complete the design of regional interoperable radio infrastructure needed to achieve reliable and interoperable communications for not only day to day operations but for response in disasters and resiliency during recovery.
- Pursue funding for phased construction of the Regional Radio Infrastructure network.

### **3) Transportation/Transit**

U.S. Highway 59 is proven to be a driver for economic development and growth in the counties it transverses. The Deep East Texas Rural Transportation Planning Organization has formed an alliance with the East Texas Rural Transportation Planning Organization and Ark-Texas Area Rural Transportation Planning Organization to collaborate for improved highway infrastructure in the eastern parts of the state. In the area of transit, half the counties in Deep East Texas have no transit services. To address this need, DETCOG received a planning grant from the National Association of Development Organizations and partnered with the Western Transportation Institute at Montana State University to develop and implement a Rural Transportation Voucher Pilot Program. This pilot program has been a success and earned national recognition. However, it presently serves only a small number of clients age 60 and older utilizing limited funding from the Area Agency on Aging.

- Work to secure funding sources for Rural Transportation Planning Organizations to better equip them to advocate for rural transportation projects.
- Support the continued development of I-69, US-190 (I-14), US-287 and US-96 as being essential to further growth in the region.
- Encourage stakeholders along the routes of I-69 and I-14 corridors to plan for managed growth as the new highways are built.
- Support the creation and expansion of public transit systems to facilitate access to health care, educational and work opportunities.
- Encourage the ongoing development of our General Aviation facilities would provide improved access to businesses and industrial facilities in the region.

### **4) Workforce**

College preparation and vocational education continue to be important to prepare the region's youth and adults for the workplaces of the future. An available workforce with core skills is necessary for our businesses and to attract new industries/businesses to the region.

- Support development of workforce development initiatives where local business, industry and schools can partner with higher education institutions and technical schools to produce effective workforce development initiatives that target the needs of employers in the region.
- Assist in the Expansion of the East Texas Manufactures Alliance.
- Partner with the Community Development Financial Institutions (CDFI) to assist them with marketing their micro-lending programs.

### **5) Tourism, Outdoor Recreation & Eco Tourism**

Deep East Texas is blessed with beautiful forests, lakes and unique eco-systems. Continued development and support of the tourism/outdoor recreation industry is an important component of the regional economy. This region is also steeped in history, and the further development and promotion of heritage tourism can contribute significantly to our economy.

- Work with communities and stakeholders to support development of new recreational facilities, improvements to existing facilities, and better promotion of recreation and tourism throughout the region. One such example is the Sabine River Authority's development of new recreational facilities on Toledo Bend Reservoir.
- Assist CARRI in launching Forums on Rural Economic Development (FRED) in 2023.
- Partner with the Texas Forest Trail Region organization to advance their services to rural communities.
- Assist in Film Friendly certification of cities/counties throughout the region.

## **6) Accessible Healthcare**

Accessible quality healthcare is important to not only attract new industry and businesses, but the quality of life for the existing population of the region. Keeping the existing medical facilities open, maintaining current health care providers and attracting new ones are important to the regional economy.

- Support the continuing development and expansion of the Certified Healthcare programs in Public Schools as well as the Nursing Schools at Tyler County Hospital, Angelina College, Stephen F. Austin State University.
- Continue to support the development of the School of Osteopathic Medicine at Sam Houston State University.
- Support initiatives designed to improve health outcomes in all counties of Deep East Texas.

## **7) Forest Products Industry**

Sustainable use of timber in the forest products industry continues to be an important part of the Deep East Texas economy. Maximizing the use and development of new uses of the available “wood basket” is important to the region’s economic future.

- Support the efforts of the Texas Forestry Association, Texas Forest Service, Texas Forest Country Partnership, and others to attract new Forest Products facilities and the development of innovative forest products.

## **8) Alabama-Coushatta Tribe of Texas**

With its Federal Recognition and status as a Sovereign Nation, the Alabama-Coushatta Tribe of Texas is unique as a member of the Deep East Texas Council of Governments & Economic Development District. Their status offers Economic Opportunities often not available to other DETCOG members. We will seek opportunities to initiate and support their Economic Development, Tourism and Reservation Infrastructure Improvement efforts.

## **9) Food Growth and Processing**

Abundant low-cost land, semi-tropical climate and adjacent Metropolitan markets make Deep East Texas ideal for food production.

- Aquaponics/Hydroponics development could add another agricultural component to the regional economy. Continue to explore the development of an Aquaponics/Hydroponics incubator in the region.
- Encourage and support the livestock production and processing industry as well as other agricultural industries in the region.

## **10) EV Charging Stations**

With the growing number of Electric Vehicles being sold and Commitments for increased numbers of Electric Vehicles to be offered and sold by Automobile Manufacturers, DETCOG will encourage and support the installation of Public Charging Stations in the Region.

- Work with Texas Department of Transportation to ensure placement of Publicly Funded Electric Vehicle DC Fast Charging Stations along the I-69, US Hwy 190, US Hwy 96, Us Hwy 69 and US Hwy 287 corridors through the Deep East Texas Region.
- Explore research opportunities with SFASU STEM, Maker Space, College of Engineering, and College of Science & Mathematics on potential for market study to support installation of EV Stations in rural Texas.

# *Evaluation Framework*

As with any action plan, it is important to know where you started and then stop periodically to see if the desired results are being achieved. Acting on the observed results, changes can be made in the plan to keep your organization on the path to achieving its goals.

DETCOG&EDD Staff will prepare a quarterly written report on the status of each of the 10 Goals in this CEDS. The report will also contain an update of the Texas State Comptroller sales tax allocations to cities and counties and Deep East Texas Workforce monthly reports of the regional workforce and unemployment rates with comparisons of the same quarter in previous years. These reports will allow the DETCOG&EDD Economic Development Committee to make recommendations to the DETCOG&EDD Board of which Goals to keep, which Goals to modify and any new Goals that should be established.

DETCOG&EDD is disadvantaged by being a completely rural region with no metropolitan areas. This leads to a lack of timely reporting of data by which the status of the DETCOG&EDD Region's Economy can be judged. Even the annually reported American Community Survey (ACS) results have a wide margin of error that makes them often unreliable. The ACS process is a statistical estimate that only collects data in rural areas once every 5 years – the years in between are estimates.

# Zones with Economic Incentives

**Opportunity Zones (OZs)** are defined as “economically-distressed communities where new investments, under certain conditions, may be eligible for preferential tax treatment.” First conceived in April of 2018, Texas nominated blocks of low-income areas by census tract, which were then certified by the Secretary of the U.S. Treasury to the Internal Revenue Service. Through the IRS, investors can file a Form 8896 to create a [Qualified Opportunity Fund](#) — vehicles structured as either a partnership or corporation for the purpose of investing in an OZ census tract, whether in real estate or directly in businesses through [equity](#). The fund is required to hold at least [90%](#) of its assets in that qualifying OZ area.

Ten of the Eleven Counties in the DETCOG&EDD Region have federally designated Opportunity Zones.

## Angelina County

\* 6 Opportunity Zones

## Polk County

\* 6 Opportunity Zones

## San Jacinto County

\* 2 Opportunity Zones

## Nacogdoches County

\* 6 Opportunity Zones

## Sabine County

\* 1 Opportunity Zone

## Shelby County

\* 4 Opportunity Zones

## Tyler County

\* 2 Opportunity Zones

## Newton County

\* 2 Opportunity Zones

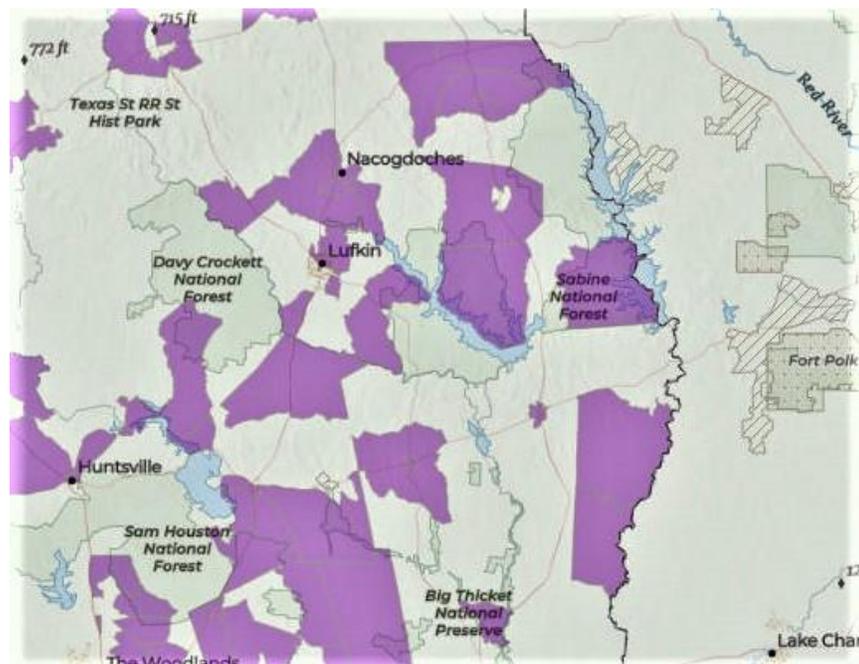
## San Augustine County

\* 2 Opportunity Zones

## Trinity County

\* 3 Opportunity Zones

*Right: Federally designated Opportunity Zones in Deep East Texas.*



To learn more about Opportunity Zones go to: <https://www.eda.gov/opportunity-zones>

The IRS answers to questions about Opportunity Zones are located at:

<https://www.irs.gov/credits-deductions/opportunity-zones-frequently-asked-questions#deferral-of-eligible-gain>

**Foreign-Trade Zones** (FTZ's) are secure areas under U.S. Customs and Border Protection (CBP) supervision that are generally considered outside CBP territory upon activation. Located in or near CBP ports of entry, they are the United States' version of what are known internationally as "Free-Trade Zones".

Foreign and domestic merchandise may be moved into zones for operations, not otherwise prohibited by law, including storage, exhibition, assembly, manufacturing, and processing. All zone activity is subject to public interest review. Foreign-trade zone sites are subject to the laws and regulations of the United States as well as those of the states and communities in which they are located. The City of Lufkin and a portion of its Extra Territorial Jurisdiction is a Foreign Trade Zone.

### **The Advantages of Using a Foreign-Trade Zone**

CBP duty and federal excise tax, if applicable, are paid when the merchandise is transferred from the zone for consumption.

While in the zone, merchandise is not subject to U.S. duty or excise tax. Certain tangible personal property is generally exempt from state and local ad valorem taxes.

Goods may be exported from the zone free of duty and excise tax.

CBP security requirements provide protection against theft.

Merchandise may remain in a zone indefinitely, whether or not subject to duty.

The rate of duty and tax on the merchandise admitted to a zone may change as a result of operations conducted within the zone. Therefore, the zone user who plans to enter the merchandise for consumption to CBP territory may normally elect to pay either the duty rate applicable on the foreign material placed in the zone or the duty rate applicable on the finished article transferred from the zone whichever is to his advantage.

Merchandise imported under bond may be admitted to a FTZ for the purpose of satisfying a legal requirement of exporting the merchandise. For instance, merchandise may be admitted into a zone to satisfy any exportation requirement of the Tariff Act of 1930, or an exportation requirement of any other Federal law (and many state laws) insofar as the agency charged with its enforcement deems it so.

For more information on Foreign Trade Zones go to:

[About Foreign-Trade Zones and Contact Info | U.S. Customs and Border Protection \(cbp.gov\)](#)

**Enterprise Zones** (EZ's) The Texas Enterprise Zone Act establishes a process that clearly identifies distressed areas and provides incentives by both local and state government to induce private investment in those areas by the provision of tax incentives and economic development program benefits. There are many EZ's located in the Deep East Texas Region.

For more information on Enterprise Zones and their locations go to:

<https://gov.texas.gov/business/page/texas-enterprise-zone-program>

# Resiliency

The DETCOG region recognizes that it cannot fully anticipate sudden and major shocks to the region's economy. However, it can take steps to be better prepared to recover. In a resilience strategy, the goal is to take proactive and reactive steps that allow the region to return to a state and condition that existed prior to the shock.

The DETCOG region is susceptible to two major shocks to the region's economy: weather-related and industry related.

Weather related shocks have generally been the result of hurricanes and tropical storms in the Gulf of Mexico and flooding from other heavy rainfall events. These events cause flooding along rivers and tributaries that impact homes and businesses. Recent major hurricanes that resulted in disaster declarations include:

- Hurricane Rita (September 2005)
- Hurricane Ike (September 2008)
- Hurricane Harvey (August 2017)
- Tropical Storm Imelda (September 2019)
- Hurricane Laura (August 2020)

Powerful tornados are also a threat to Deep East Texas. Recent tornados caused significant destruction and loss of life in these communities:

- March 2022: EF2 Tornado in Nacogdoches County destroyed a church and damaged fifty structures.
- April 2020: EF3 Tornado in Polk County destroyed 170 homes, resulted in multiple fatalities
- April 2019: Three Tornados (EF3, EF2 & EF1) struck Houston County resulting in one fatality, multiple injuries, and significant damage to homes. The nearby Caddo Mounds State Park in adjacent Cherokee County was also destroyed with one fatality and additional injuries.
- April 2019: EF2 Tornado in San Augustine County identified as a supercell destroyed or damaged dozens of homes and businesses and spawned multiple other tornados, including one in Shelby County.

Economic shocks are generally linked to significant job losses in the region. To identify examples of recent shocks, we've examined the Worker Adjustment and Retraining Notification (WARN) Notices posted by the Texas Workforce Commission. Recent closures or layoffs in the region subject to WARN include:

- Nacogdoches County, 2021: Aramark Educational Services – SFASU, 215 Layoffs
- Angelina County, 2020: Outback #4433, 55 Layoffs
- Angelina County, 2020: ATCO Structures, 90 Layoffs
- Angelina County, 2020: Cinemark Lufkin 12, 28 Layoffs
- Angelina County, 2020: Fleetwood Transportation Services & Logistics, 49 Layoffs
- Nacogdoches County, 2020: Coca Cola-Southwest Beverages-Nacogdoches, 74 Layoffs
- Polk County, 2020: Southwestern & Pacific #2969, 1 Layoff
- Angelina County, 2018: Lufkin Industries, Inc. (GE Oil & Gas), 78 layoffs
- Trinity County, 2017: East Texas Medical Center – Trinity, 60 layoffs
- Angelina County, 2016: ATCO Structures, 88 layoffs

- Angelina County, 2016: Lufkin Industries, LLC, (GE Oil & Gas/Power Transmission), 213 layoffs
- Angelina County, 2016: Lufkin Industries, Inc. (GE Oil & Gas), 105 layoffs
- Angelina County, 2016: Lufkin Industries, LLC, (GE Oil & Gas-Gear Repair), 44 layoffs
- Angelina County, 2016: Lufkin Industries, LLC, (GE Oil & Gas/Power Transmission), 120 layoffs
- Angelina County, 2015: Lufkin Industries, (GE Oil & Gas), 176 layoffs
- Polk County, 2015: Walmart – Livingston, 420 layoffs (temporary due to repairs to building)
- Angelina County, 2015: Lufkin Industries, (GE Oil & Gas), 149 layoffs
- Houston County, 2015: East Texas Medical Center-Crockett, 120 layoffs
- Angelina County, 2015: Lufkin Industries, Inc. (GE Oil & Gas), 330 layoffs
- Nacogdoches County, 2013: Endura Products, Inc., 55 layoffs
- Polk County, 2013: Community Education Centers (CEC) – IAH Facility, 12 layoffs
- Shelby County, 2012: Hostess Brands-Tenaha Highway 1, 3 layoffs
- Newton County, 2011: Community Education Centers (CEC) – Newton County Correctional Facility, 99 layoffs
- Angelina County, 2010: Novartis Pharmaceuticals Corporation – Diboll
- Nacogdoches County, 2010: Novartis Pharmaceuticals Corporation – Nacogdoches
- Shelby County, 2010: Armstrong Hardwood Flooring, 73 layoffs
- Angelina County, 2009: Citation Innovative Metal Components, 336 layoffs
- Angelina County, 2009: Temple Inland – Diboll Plant, 70 layoffs
- Angelina County, 2009: Corrections Corporation of America, 109 layoffs

In addition to these WARN notifications, the region also experienced a significant loss of 300 jobs in 2011 with the closure of the Crockett State School (Texas Juvenile Justice Facility) in Houston County.

According to the Economic Development Administration, economic resiliency includes three key attributes:

1. The ability to recover quickly from a shock;
2. The ability to withstand a shock; and
3. The ability to avoid the shock altogether.

Further, the EDA recognizes that shocks or disruptions can be manifested in three ways:

1. Downturns or other significant events in the national or international economy which impact demand for locally produced goods and consumer spending;

**EXAMPLE:** The Great Recession of 2007-2012 had global impacts and was the worst global recession since the Great Depression of the 1930s. While the impacts of the recession were insulated by this region's concentration of government, health, and educational services, there were still overall employment impacts that took many years to fully recover from.

2. Downturns industries that constitute a critical component of the region's economic activity; and/or

**EXAMPLE:** Prior to its acquisition by General Electric, Lufkin Industries was a significant employer in the DETCOG region. However, since 2015, the region has lost 1,215 jobs at Lufkin Industries in Angelina County.

3. Other external shocks (a natural or man-made disaster, closure of a military base or other government facility, changes in management practices or philosophy on state or federally owned lands, exit of a major employer, etc.).

**EXAMPLE:** In August 2017, Hurricane Harvey left more than 330,000 people without power and tens of thousands required some form of rescue. More than 100 people died as a result of storm-related incidents. It is estimated that 30,000 people were displaced because of the storm. Further, because of the prevalence of oil refineries in the region, a fuel shortage was created when those refineries were shut-down.

In developing a regional economic resiliency plan, we must consider these elements. First and foremost, we must be able to anticipate risk to “avoid the shock altogether.” We will do this by deploying resources to monitor and measure changes occurring in the local economy.

Second, we must take steps to protect the region from the impacts that are outside of its control to “withstand a shock.” This can include introducing certain diversity into the region. This can include economic diversification where a sudden shock to a single industry or cluster is offset by other opportunities in sectors that may not be economically connected but where skills may be transferrable.

Finally, the region must take steps to enable it to recover quickly from a shock. Recovery is significantly dependent on the steps we’ve taken to avoid and withstand a shock.

### *Recognizing the impact of economic change*

The primary, or direct impact, of an economic shock is focused on the industry that is most significantly impacted by the event. As mentioned in the example above, oil refineries were closed because of Hurricane Harvey which resulted in immediate impacts associated with that industry including temporary loss of incomes by employees unable to work and a temporary shortage of fuel.

Because of the direct impact of the economic shock, the region should also expect to experience indirect and induced impacts. Indirect impacts are those that occur in the supply chain. The closure of gas stations unable to sell fuel due to a shortage related to the refinery closures and associated supply chain industries would be included in these indirect impacts. Induced impacts result from lost income that would have been paid to the employees directly impacted. Without that direct impact income, employees are unable to spend that income which supports other industries and businesses. Locally-traded industry may be the most significantly impacted because of its heavy and sometimes sole-reliance on the spending of residents.

### *Recognizing the impact of hurricanes in adjoining regions*

A unique characteristic of the region is its proximity to coastal areas of Texas and Louisiana. As a result, even if Deep East Texas is not directly impacted by a major hurricane, the region is subject to a surge in population due to the presence of evacuees. In the case of Hurricanes Harvey, Ike, and Rita, the storms had *two* significant impacts: flooding and wind damage within the region *plus* an influx of population resulting from coastal evacuations. This type of event also appears to be increasing in frequency and puts additional pressure on the region to both prepare and respond to its own needs while assisting evacuees.

**Policy:** DETCOG is committed to collecting and analyzing regional economic data to identify potential risks and opportunities for the region. We will communicate our findings with stakeholders through our publications and reports, including a greater reliance on web-based distribution of information.

## *Land Use Regulations*

Examining local and regional land use patterns, including risk for flooding and impact of flooding, can be done to both anticipate future flooding and its impact as well taking preventative measures that allow land use types that would be significantly impacted by a flooding event. Land use and land cover change can also contribute to increased flooding and frequency. Reduced opportunities for infiltration of water back into the ground, loss of vegetation, forest clearing can impact ground water recharge and evapotranspiration by allowing for runoff into local water channels and municipal infrastructure. Most of the region is comprised of rural unincorporated areas where local jurisdictions do not have the ability to regulate land use. Even so, the region should encourage a greater awareness and consideration of flooding in future discussions about land use as a means to avoid future impacts of storm events.

## *Withstand*

**Policy:** DETCOG is committed to assisting with the development and implementation of a regional Business Retention and Expansion (BR&E) program to nurture the day-to-day work within the region. It will utilize the resources made available through the Planning Grant program to develop and manage this regional effort. We will assist with business retention and expansion with the following priorities:

Retain or expand businesses within:

1. The City where their business is presently located.
2. The County where the business is located.
3. A County adjacent to the business' current location.
4. The DETCOG 11-County Region/Economic Development District
5. An adjacent region.

If BR&E efforts result in a business relocation outside of the Economic Development District despite efforts to retain the business, we will support the relocation if it retains job opportunities for the region or the state.

The construction of large-scale flooding infrastructure like tunnels being studied in the Houston region is likely not feasible in the DETCOG region. However, DETCOG region should continue collaboration with its four river authorities, and with neighboring regions, to seek opportunities to address drainage issues on a regional or multi-regional scale.

The Region should consider undertaking or supporting another appropriate entity to undertake a larger, regional flood management study and feasibility of a flood control district or districts. For example, the Houston-Galveston Area Council's Regional Flood Management Council (RFMC) was established "to assist and advise elected officials in their decision-making responsibilities by making recommendations on issues related to all aspects of flood management in the Gulf Coast Planning Region." The RFMC is actively involved with:

- flood hazard mapping studies and funding;
- multi-jurisdictional flood management districts;
- effective management the floodplain; and
- provide coordination to address entire watersheds.

In the DETCOG region, such a commission could host a similar regional council. Its organizational structure should include DETCOG members from each county, large cities, at-large representation from smaller cities, river authorities, and others determined to be critical to the Council's success. The region may also consider holding a Flood Management Summit to discuss flooding and how to lessen the impact of future events.

## *Recover*

**Policy:** DETCOG will work with regional and state partners including the Texas Forest Country Partnership, Workforce Solutions Deep East Texas, Texas Economic Development Corporation, Local Emergency Management Offices, Texas General Land Office, Texas Division of Emergency Management, and Governor’s Office. In the event of a major shock, EDA resources may be able to assist the region with recovery efforts.

## *Coordination*

DETCOG is committed to swift recovery efforts in response to a sudden economic shock to a community, county, or region. DETCOG will serve as a coordinating body to assess the impacts and communicate the region’s need to the EDA. In the event of a disaster, DETCOG will work with local jurisdictions and area Emergency Operations Centers to assist with immediate response and long-term recovery. DETCOG has recently constructed a new Regional Headquarters facility which includes a Regional Emergency Operations Center which will be activated as needed. The new Regional EOC has already been called into service during Hurricane Laura and the coordinated effort between DETCOG, the Texas Division of Emergency Management, Texas Department of Public Safety, and other state agencies proved very beneficial to the region.

## *Energy Restoration*

With the geographic size of the DETCOG region, restoring power after an event is a challenging endeavor. In the immediate term, the use of portable generators can help restore critical resources for a community. The availability and deployment of these resources should be addressed in local and regional emergency management strategies. DETCOG should be actively involved in the review of these immediate response strategies to help with the effectively deployment and prioritization of these resources. In addition, regional coordination can help identify if there are gaps in service or coverage during and after an event.

Another strategy that may prove helpful and complimentary to generator deployment is the use of microgrids. Microgrids are small-scale energy delivery systems that allows for communities to disconnect from a larger, regional power grid and generate its own electric power. The concept of a microgrid has been used by large energy users in the past, such as military bases, colleges, and hospitals. Batteries, generators, solar panels, or wind power can generate the required power. Under normal circumstances, these microgrids are connected to the larger power distribution system. However, during an emergency or other critical event (e.g. heat wave), these microgrids can be turned on and operate independent of the larger system.

**EXAMPLE:** In 2016, the Cottonwood NRG Generating Station in Deweyville was impacted with more than 5 feet of flooding. This was the result of significant rainfall from March 8 to 11 which caused the Sabine River to swell and rise to historic levels. As a result, flooding impacted the entire region. It is estimated that the restoration took 350,000 hours over six months to complete. The plant’s four units were restored by September 2016.

## *Flood Insurance*

DETCOG will promote enrollment in the National Flood Insurance Program so communities understand the benefits and costs of the program. While flood insurance is a protective measure and does not prevent the impact, it can help residents in their recovery. Flood insurance is available through an insurance agent or insurer participating in the NFIP; it cannot be purchased directly from the NFIP.

*The National Flood Insurance Program aims to reduce the impact of flooding on private and public structures. It does so by providing affordable insurance to property owners, renters and businesses and by encouraging communities to adopt and enforce floodplain management regulations. These efforts help mitigate the effects of flooding on new and improved structures. Overall, the program reduces the socio-economic impact of disasters by promoting the purchase and retention of general risk insurance, but also of flood insurance, specifically.*

Policy owners who are impacted by flooding, according to the terms of the policy, can expect to receive coverage for both building structure and contents.

Community participation in the NFIP is important. According to FEMA, communities that do not join the program after being identified for one year as flood prone, has withdrawn from the program, or suspended it, face the following sanctions:

1. No resident will be able to purchase a flood insurance policy.
2. Existing flood insurance policies will not be renewed.
3. No Federal grants or loans for development may be made in identified flood hazard areas under programs administered by Federal agencies such as HUD, EPA, and SBA;
4. No Federal disaster assistance may be provided to repair insurable buildings located in identified flood hazard areas for damage caused by a flood.
5. No Federal mortgage insurance or loan guarantees may be provided in identified flood hazard areas. this includes policies written by FHA, VA, and others.
6. Federally insured or regulated lending institutions, such as banks and credit unions, must notify applicants seeking loans for insurable buildings in flood hazard areas that there is a flood hazard and that the property is not eligible for Federal disaster relief.

According to the National Flood Insurance Program Community Status Book, 47 communities across the region participate in the NFIP program, whereas six small communities do not.

### ***Business Recovery***

DETCOG will work with regional emergency managers to evaluate immediate- and short-term plans to respond to businesses in the event of a disaster. To address long-term recovery, DETCOG will assist with developing a framework that can be included in this county and regional emergency operation plans.

### ***Current DETCOG Resiliency Initiatives***

**Broadband** – DETCOG is leading a regional initiative to establish a regional broadband network, to be constructed in phases, to provide affordable and reliable broadband to all of the region. We have received support and funding from both public and private partners, including the Economic Development Administration (EDA), Texas General Land Office Community Development and Revitalization Division, the T.L.L. Temple Foundation, and local communities and stakeholders. At present, we have completed high level engineering and design of Phase One of the project which would provide 50 to 100 Mbps service to more than half the population of our region, with an emphasis on providing service to Low-to-Moderate Income Households. We are currently seeking funding for construction of Phase One.

**Public Safety Interoperable Radio Infrastructure** – DETCOG has led a regional planning effort to address the inadequacy of our region’s public safety radio communications infrastructure. We are about to begin implementation of Phase One of the project which is being funded by a FY 2021 Statewide Radio Infrastructure grant from the Office of the Governor Public Safety Office. Phase One will utilize existing towers to greatly improve communications in counties along and to the west of the U.S 59 corridor. Phase Two, to serve the counties in the eastern part of our region, will require construction of new towers. Planning and preliminary design is currently underway for Phase Two and we are currently seeking funding for it.

**Next Generation 9-1-1** - DETCOG serves as the administrative authority for the Regional 9-1-1 Emergency System in our 11-county region. With funding and support from the Commission on State Emergency Communications (CSEC) we were the second region in Texas to complete the conversion to Next Generation 9-1-1 technology. DETCOG 9-1-1 has also constructed and equipped a back-up Public Safety Answering Point (PSAP) in our facility which can “go live” as needed to provide backup to any PSAP in the region and serve as a live dispatcher training center.

### *Other Resiliency Resources*

In today’s environment, there is a wealth of information and resources that communities should be familiar with. In regard to economic recovery which this section is focused on, the following are additional resources addressing resiliency at the both at the local and regional levels.

- **Creating A Resilient Community & Economic Development System.** Fourth Economy. September 2017. <https://fourtheconomy.com/creating-a-resilient-community-economic-development-system/>
- **Resilience and Economic Development.** US Economic Development Administration. May 2015. [https://www.nado.org/wp-content/uploads/2015/05/Josh\\_Barnes.pdf](https://www.nado.org/wp-content/uploads/2015/05/Josh_Barnes.pdf)
- **Resilience in Economic Development Planning.** US Economic Development Administration. October 2014. [https://www.eda.gov/files/about/disaster-recovery/EDA\\_CO-Economic-Resilience-Planning\\_Oct2014.pdf](https://www.eda.gov/files/about/disaster-recovery/EDA_CO-Economic-Resilience-Planning_Oct2014.pdf)
- **Strategies to Bolster Economic Resilience.** National Association of Counties. November 2013. <http://www.naco.org/sites/default/files/documents/Strategies%20to%20Bolster%20Economic%20Resilience.pdf>
- **Resilient Regions.** National Association of Development Organizations Research Foundation. July 2011. <https://www.nado.org/wp-content/uploads/2011/07/NADOResilientReport.pdf>
- **Economic Resilience.** US Economic Development Administration. <https://www.eda.gov/ceds/content/economic-resilience.htm>

**Deep East Texas Council of Governments  
& Economic Development District**

**Comprehensive Economic Development Strategy  
2020-2025**